

APPLICATION FOR PERMISSION TO CHANGE POINT OF DIVERSION, MANNER
OF USE AND PLACE OF USE OF THE PUBLIC WATERS OF THE STATE OF
NEVADA HERETOFORE APPROPRIATED

Date of filing in State Engineer's Office JUL 14 2004

Returned to applicant for correction JUL 29 2004

Corrected application filed _____

Map filed MAY 10 2004 under 71044

The applicant **Zeda, Inc.** hereby makes application for permission to change the **Point of Diversion and Place of Use of a portion** of water heretofore appropriated under **Permit 18570, Certificate 6055**

1. The source of water is **Underground**
2. The amount of water to be changed **1.27 c.f.s., 499.74AFA**
3. The water to be used for **Irrigation and Domestic**
4. The water heretofore permitted for **Irrigation and Domestic**
5. The water is to be diverted at the following point **SE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 5, T.27N., R.47E., MDM, or at a point from which the SE corner of Section 32, T.28N., R.47E., MDM bears North 44°41' East, 5845 feet – Mine Dewatering Well DB 21**
6. The existing permitted point of diversion is located within **SW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 16, T.31N., R.50E., MDM, or at a point from which the NW corner of said Section 16 bears North 11°50' West, 1610 feet**
7. Proposed place of use **166.58 acres within Section 7, T.28N., R.48E., MDM**
8. Existing place of use **See attached**
9. Use will be from **January 1 to December 31** of each year.
10. Use was permitted from **January 1 to December 31** of each year.
11. Description of proposed works **well, pump and motor, and pivot irrigation**
12. Estimated cost of works **in excess of \$500,000**
13. Estimated time required to construct works **well complete**
14. Estimated time required to complete the application of water to beneficial use **2 years**
15. Remarks: **See Attached**

By **Bruce R. Scott, Resource Concepts, Inc.**
s/ Bruce R. Scott
340 North Minnesota Street
Carson City, Nevada 89703

Compared sg/ sc lt/gkl

Protested _____

APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit to change the point of diversion and place of use of a portion of the waters of an underground source as heretofore granted under Permit 18570, Certificate 6055, is issued subject to the terms and conditions imposed in said Permit 18570, Certificate 6055, and with the understanding that no other rights on the source will be affected by the change proposed herein. The well shall be equipped with a 2-inch opening and a totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water placed to beneficial use. The totalizing meter must be installed before any use of the water begins or before the proof of completion of work is filed. If the well is flowing, a valve must be installed and maintained to prevent waste. This source is located within an area designated by the State Engineer pursuant to NRS 534.030. The State retains the right to regulate the use of the water herein granted at any and all times.

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

Monthly records will be kept of the water pumped from this well and delivered to the irrigation system. These records will be submitted within 15 days after the end of each month on the monthly report for The Cortez Joint Venture.

The State retains the right to regulate pumping from the dewatering project and/or any other groundwater withdrawals herein authorized to protect the public interest and existing rights.

This permit is issued subject to the "Pipeline Gold Project, Groundwater and Surface Water Monitoring Plan" submitted to the State Engineer on August 2, 1993, and to the Pershing County and Lander County Stipulation dated May 21, 1993.

(CONTINUED ON PAGE 3)

The amount of water to be changed shall be limited to the amount which can be applied to beneficial use, and not to exceed 1.27 cubic feet per second, but not to exceed 499.74 acre-feet annually, and not to exceed a yearly duty of 3.0 acre-feet per acre of land irrigated from any and/or all sources.

Work must be prosecuted with reasonable diligence and be completed on or before:

March 24, 2007

Proof of completion of work shall be filed on or before:

April 24, 2007

Water must be placed to beneficial use on or before:

March 24, 2009

Proof of the application of water to beneficial use shall be filed on or before:

April 24, 2009

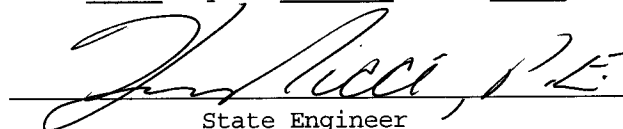
Map in support of proof of beneficial use shall be filed on or before:

April 24, 2009

IN TESTIMONY WHEREOF, I, HUGH RICCI, P.E.,

State Engineer of Nevada, have hereunto set
my hand and the seal of my office,

this 24th day of March, A.D. 2006


State Engineer

Completion of work filed _____

Proof of beneficial use filed _____

Cultural map filed _____

Certificate No. _____ Issued _____

Attachment to Application to Change a portion of Permit 18570, Certificate 6055**Item 8. Existing Place of Use**

SE $\frac{1}{4}$ SE $\frac{1}{4}$ (11.7 ac), NE $\frac{1}{4}$ SE $\frac{1}{4}$ (3.9 ac) Section 7; NW $\frac{1}{4}$ SW $\frac{1}{4}$ (0.5 ac), SW $\frac{1}{4}$ SW $\frac{1}{4}$ (27.6 ac), SE $\frac{1}{4}$ SW $\frac{1}{4}$ (22.3 ac), SW $\frac{1}{4}$ SE $\frac{1}{4}$ (12.1 ac) Section 8; SW $\frac{1}{4}$ SW $\frac{1}{4}$ (7.3 ac) Section 9; NW $\frac{1}{4}$ NW $\frac{1}{4}$ (19.4 ac), SW $\frac{1}{4}$ NW $\frac{1}{4}$ (2.2 ac) Section 16; NW $\frac{1}{2}$ NW $\frac{1}{4}$ (26.8 ac) NE $\frac{1}{4}$ NW $\frac{1}{4}$ (37.3 ac), SE $\frac{1}{4}$ NW $\frac{1}{4}$ (9.4 ac), NW $\frac{1}{4}$ NE $\frac{1}{4}$ (35.9 ac), NE $\frac{1}{4}$ NE $\frac{1}{4}$ (37.2 ac), SW $\frac{1}{4}$ NE $\frac{1}{4}$ (39.7 ac), SE $\frac{1}{4}$ NE $\frac{1}{4}$ (36.4 ac), Lot 2 (14.3 ac), Lot 1 (1.8 ac) Section 17; T.31 N., R.50 E., MDM – 345.8 acres total.

166.58 acres to be removed from irrigation in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ (7.12 ac), NE $\frac{1}{4}$ SE $\frac{1}{4}$ (3.9 ac) Section 7; NW $\frac{1}{4}$ SW $\frac{1}{4}$ (0.5 ac), SW $\frac{1}{4}$ SW $\frac{1}{4}$ (12.02 ac), SE $\frac{1}{4}$ SW $\frac{1}{4}$ (9.51 ac), SW $\frac{1}{4}$ SE $\frac{1}{4}$ (1.7 ac) Section 8; SW $\frac{1}{4}$ SW $\frac{1}{4}$ (7.3 ac) Section 9; NW $\frac{1}{4}$ NW $\frac{1}{4}$ (11.91 ac), SW $\frac{1}{4}$ NW $\frac{1}{4}$ (1.3 ac) Section 16; NW $\frac{1}{2}$ NW $\frac{1}{4}$ (26.8 ac) NE $\frac{1}{4}$ NW $\frac{1}{4}$ (29.58 ac), SE $\frac{1}{4}$ NW $\frac{1}{4}$ (7.5 ac), NW $\frac{1}{4}$ NE $\frac{1}{4}$ (12.4 ac), NE $\frac{1}{4}$ NE $\frac{1}{4}$ (14.32 ac), SW $\frac{1}{4}$ NE $\frac{1}{4}$ (3.82 ac), SE $\frac{1}{4}$ NE $\frac{1}{4}$ (0.8 ac), Lot 2 (14.3 ac), Lot 1 (1.8 ac) Section 17; T.31 N., R.50 E., MDM

Item 15. Remarks

The intent of this application is to change the portion of Permit 18570 that is not supplemental to Humboldt River decreed water under Claim 00153. Use Proof of Beneficial Use map on file under Permit 18570 to support the existing point of diversion and place of use, map on file under Application 71044 to support the proposed point of diversion, and map on file under Application 62977 to support the proposed place of use.